

1-1 By: Ellis, et al. S.B. No. 141
1-2 (In the Senate - Filed November 25, 2002; January 29, 2003,
1-3 read first time and referred to Committee on Jurisprudence;
1-4 April 7, 2003, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 6, Nays 0; April 7, 2003,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 141 By: Averitt

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to authorizing certain state agencies to share certain
1-11 information for investigative purposes.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Chapter 555, Government Code, is amended by
1-14 adding Subchapter C to read as follows:

1-15 SUBCHAPTER C. SHARING CONFIDENTIAL INFORMATION

1-16 Sec. 555.051. INFORMATION SHARING AMONG CERTAIN AGENCIES.

1-17 (a) This section applies only to information held by or for the
1-18 office of the attorney general, the Texas Department of Insurance,
1-19 the Texas State Board of Public Accountancy, the Public Utility
1-20 Commission of Texas, or the State Securities Board that relates to
1-21 the possible commission of corporate fraud by a person who is
1-22 licensed or otherwise regulated by any of those state agencies. In
1-23 this subsection, "corporate fraud" means a violation of state or
1-24 federal law or rules relating to fraud committed by a corporation,
1-25 limited liability company, or registered limited liability
1-26 partnership or an officer, director, or partner of those entities
1-27 while acting in a representative capacity.

1-28 (b) Each of the agencies listed in Subsection (a), on
1-29 request or on its own initiative, may share confidential
1-30 information or information to which access is otherwise restricted
1-31 by law with one or more of the other agencies listed in Subsection
1-32 (a) for investigative purposes. Except as provided by this
1-33 section, confidential information that is shared under this section
1-34 remains confidential under law and legal restrictions on access to
1-35 the information remain in effect.

1-36 (c) A state agency that receives shared information under
1-37 this section:

1-38 (1) shall keep the information secure and limit access
1-39 to the information within the agency to agency personnel who need
1-40 access for investigative purposes; and

1-41 (2) may disclose the information only:

1-42 (A) to another agency listed in Subsection (a) in
1-43 accordance with this section;

1-44 (B) to the extent necessary to bring or prosecute
1-45 a contested case or court action to restrain or prevent a violation
1-46 of law or to impose sanctions or penalties in connection with a
1-47 violation of law;

1-48 (C) to an appropriate law enforcement agency or
1-49 prosecutor if the state agency determines that the information may
1-50 be evidence of an offense or evidence that a particular person
1-51 committed an offense; or

1-52 (D) under a court order or subpoena obtained
1-53 after a showing to a court that disclosure of the information is
1-54 necessary to protect the public health, safety, or welfare.

1-55 SECTION 2. The heading to Chapter 555, Government Code, is
1-56 amended to read as follows:

1-57 CHAPTER 555. STATE AGENCY RECORDS RELATING TO LICENSE HOLDERS OR
1-58 OTHER REGULATED PERSONS

1-59 SECTION 3. This Act takes effect immediately if it receives
1-60 a vote of two-thirds of all the members elected to each house, as
1-61 provided by Section 39, Article III, Texas Constitution. If this
1-62 Act does not receive the vote necessary for immediate effect, this
1-63 Act takes effect September 1, 2003.

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